GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA

UNSTARRED QUESTION NO:2538
ANSWERED ON:10.03.2000
NATIONAL FILM DEVELOPMENT CORPORATION
SATYAVRAT CHATURVEDI

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) the losses being incurred by the National Film Development Corporationannually for the last two years and during the current financial year;

(b)the reason therefor; (

(c) whether this corporation owes crores of rupees to Government electronic media; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF TH
DEPARTMENT OF DISINVESTMENT
(SHRI ARUN JAITLEY)

(a) National Film Development Corporation (NFDC) has not suffered anyloss during the year 1997-98. The Corporation earned a net profit of Rs.

4.30 crores during the year. However, for the year 1998-99 the company suffered a net loss of Rs. 10.57 crores. The performance for the current financial year 1999-2000 (upto 31st January, 2000) has been satisfactory with the company making a net profit of Rs. 3.27 crores

(figures provisional and subject to audit).

(b) The reasons for the losses suffered by the Corporation during 1998-99 were due to recessionary pressures in the market coupled with stiff competition from private sattelite channels which adversely affected the company`s major revenue earning activity viz. Televison (FCT) Marketing. As a result the Television Marketing Activity failed to generate sufficient revenues to cover cost.

(c) & (d) As on 31st January, 2000 amount payable by NFDC toDoordarshan is Rupess 6.71 crores after taking into account the adjustments because of delayed telecast due to Doordarshan programme exigencies and disrupted telecast (amounting to Rs. 10 crores for 1997-98 and Rs. 15.50 crores for 1998-99.

The payments outstanding are net of the amount payable by Doordarshanto NFDC in respect of various services rendered such as technical, marketing and production services.